

JUL 2 2014

DEPT OF INSURANCE  
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STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

**INTERSTATE SPECIALTY MARKETING,  
INC.**

(Company Code 2134)

**Respondent.**

**No. 14A-069-INS**

**ORDER SUMMARILY SUSPENDING  
ADMINISTRATOR CERTIFICATE OF  
REGISTRATION AND NOTICE OF  
OPPORTUNITY FOR HEARING**

The Arizona Department of Insurance (the "Department") alleges that **Interstate Specialty Marketing, Inc.** has violated provisions of Arizona Revised Statutes ("A.R.S."), Title 20. In light of the serious nature of these allegations, the Director of Insurance for the State of Arizona ("Director") finds that the public health, safety and welfare imperatively require emergency action, within the meaning of A.R.S. §41-1092.11(B).

**FINDINGS OF FACT**

1. Interstate Specialty Marketing, Inc. ("Respondent") holds a certificate of registration as an administrator in Arizona, Company Code 2134.
2. Respondent's address of record is: 17722 Irvine Blvd., Tustin, CA 92780.
3. On or about May 27, 2014, the insurer holding Respondent's surety bond notified the Department that Respondent's bond was to be cancelled, effective 30 days from the date of the notice (June 28, 2014).
4. To date, Respondent has failed to replace the cancelled surety bond.
6. Therefore, as of June 28, 2014, Respondent has not maintained a bond in favor of this State executed by a surety insurer authorized to do business in this State.

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7. As of March 1, 2014, Respondent has failed to file a renewal application with the Director that consists of a financial statement of the administrator’s current financial condition, transactions and affairs as of December 31, 2013.

8. The public health, safety and welfare imperatively require emergency action.

**CONCLUSIONS OF LAW**

1. The Director has jurisdiction.

2. Respondent’s conduct, as described above, constitutes a violation of the requirement that each administrator, on or before March 1, shall file a renewal application with the Director that consists of a financial statement of the administrator’s current financial condition, transactions and affairs as of December 31 of the preceding calendar year, within the meaning of A.R.S. § 20-485.12.

3. Respondent’s conduct, as described above, constitutes a violation of the requirement that every administrator shall possess and maintain a deposit in favor of this State to be held in trust for the benefit and protection of insureds and insurers whose monies the administrator handles, within the meaning of A.R.S. § 20-485.10.

4. Grounds exist for the Director to suspend or revoke a certificate of registration for violation of any provision or requirement of Title 20, within the meaning of A.R.S. § 20-485.12(H)(3).

5. Grounds exist to order a summary suspension within the meaning of A.R.S. § 41-1092.11(B).

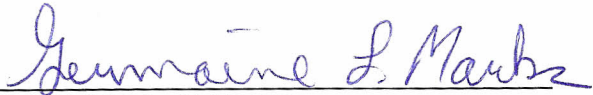
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ORDER

IT IS HEREBY ORDERED THAT:

1. The Director summarily suspends Respondent's administrator certificate of registration, Company Code 2134, effective immediately.

DATED AND EFFECTIVE this 2<sup>nd</sup> day of July, 2014.

  
GERMAINE L. MARKS  
Director of Insurance

NOTICE OF OPPORTUNITY FOR HEARING

Pursuant to Title 20 of the Arizona Revised Statutes, Respondent is hereby notified that Respondent may request a hearing pursuant to A.R.S. § 20-161 to contest the summary suspension. Such request must be in writing and received at the following address within thirty (30) days from the date hereof:

**Arizona Department of Insurance  
2910 North 44<sup>th</sup> Street, Suite 210  
Phoenix, Arizona 85018-7269**

Upon receipt of a timely written request for hearing, the Director will issue an order setting the time and place of the hearing.


COPY of the foregoing mailed  
this 2<sup>nd</sup> day of July, 2014, to:

Interstate Specialty Marketing, Inc.  
c/o Gary Hendricks, President  
17722 Irvine Blvd.  
Tustin, CA 92780  
Respondent

1 Interstate Specialty Marketing, Inc.  
2 c/o Corporation Service Company  
3 2338 W. Royal Palm Rd., Suite J  
Phoenix, AZ 85021  
4 Statutory Agent for Respondent

5 Darren Ellingson, Deputy Director  
6 Erin Klug, Assistant Director  
7 Mary E. Kosinski, Exec. Asst. – Regulatory Affairs  
8 Audrey Franklin, Compliance Administrator  
9 Maria Ailor, Acting Assistant Director  
10 Catherine M. O’Neil, Consumer Affairs Legal Officer  
11 Arizona Department of Insurance  
12 2910 N. 44th Street, Suite 210  
13 Phoenix, Arizona 85018

14 Office of the Attorney General  
15 Consumer Protection and Advocacy Section  
16 Agency Unit  
17 1275 W. Washington  
18 Phoenix, Arizona 85007-2997

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21 Maidene Scheiner  
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